

Fairness and Status among Youths

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Motivation

- Fairness and reciprocity in vogue again (e.g., in behavioral economics)
- Several explanatory models (e.g., Fehr & Schmidt 1999; Bolton & Ockenfels 2000)
- An actor's status mostly not considered (e.g., occupation, education, income etc.)
- Our project begins to address the lack of research. Does status matter?

Basic idea of the project

- Simple dictator game to capture unconditional fairness
- Sequential dictator game to capture conditional fairness/reciprocity (cf. Diekmann 2004)
- Experiments with 9th-grade classes in Berlin, Germany
- Consideration of different school types: Hauptschule, Realschule, Gymnasium, Privat-Gymnasium
- Key question: does unconditional and conditional fairness vary with regard to students' status "measured" via school type?

Study design

- Simple and sequential dictator game
 - Four anonymous decisions per student
 - Stake = 10 Euro
 - Sequence of decisions fully randomized
 - One decision out of four randomly chosen and paid

- Specific for sequential dictator game
 - Every student in role of "second dictator"
 - Decisions of "first dictator" manipulated with 2, 5, or 8 Euro

Expected results – from speculation to theory

- Status-independent fairness can be expected and explained (cf., e.g., review of studies by Camerer 2003)
- Everything seems possible with regard to potential status effects
 - In-group effect (e.g., Tajfel 1982)
 - Relative deprivation – relative subordination or relative superiority (e.g., Davis 1959)
 - Noblesse oblige (e.g., Fiddick and Cummins 2001)
 - Domination of direct reciprocity in sequential dictator game (e.g., Yamagishi and Kiyonari 2000)
- Theory of status-mediated inequity aversion offers clear predictions (just ask Andreas Tütic!)

Study description

- Pilot study in November 2007 at a Privat-Gymnasium in Baden-Württemberg, Germany
- Experiments in two classes (N=48)
- Experiments consisted of three parts
 - Simple dictator game (four decisions per student)
 - Sequential dictator game (three decisions per student)
 - Short questionnaire (e.g., sex, size, income)
- Hypothetical decisions (no money paid)

Example of question in simple dictator game

Du bekommst 10 Euro. Diese 10 Euro kannst Du zwischen Dir und einem Hauptschüler aufteilen. Der Hauptschüler besucht die 9. Klasse einer Hauptschule in ***. Die Entscheidung liegt allein bei Dir.

Wie entscheidest Du Dich?

Bitte trage die Geldbeträge in die . . .-Stellen ein! Verwende volle Eurobeträge, also 0, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 Euro.

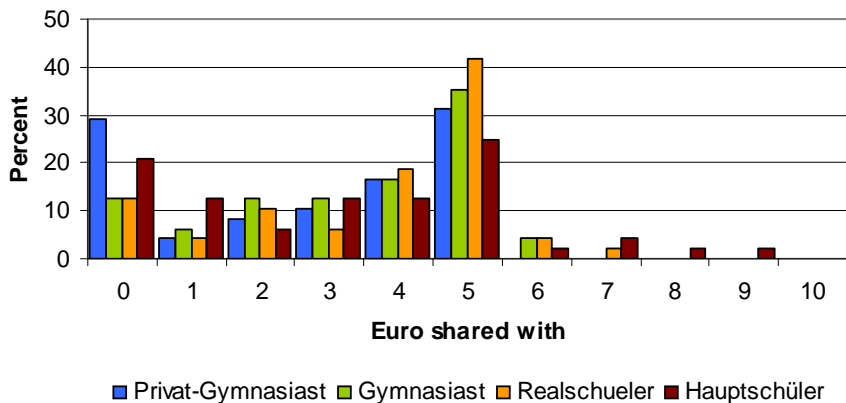
Von den 10 Euro

behalte ich . . . Euro für mich

und gebe . . . Euro an den Hauptschüler ab.

Simple dictator game

Simple dictator game (N=48)



Selected statements about Hauptschüler

„Hauptschüler kommen öfters aus ärmeren Familien, deshalb gebe ich ihnen mehr Geld. Privat-Gymnasiasten haben öfters mehr Geld, deshalb gebe ich ihnen weniger.“

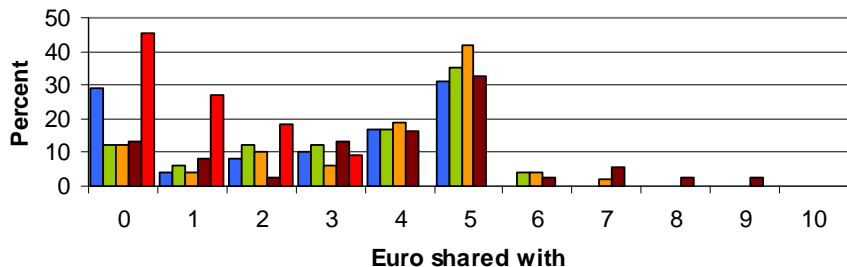
„Weil ich denke der SCHÜLER eines Privat Gymnasiums hat mehr Geld als ein Hauptschüler würde ich dem Hauptschüler mehr geben.“

„Privat Schüler haben genug Geld und bekommen alles was Sie wollen. Hauptschüler sind teilweise aggressiv und unsympathisch“

„der Privatschüler sollte nicht so viel bekommen, da ich denke es geht ihm sehr gut. Hauptschüler auch nicht da sie meist aggressiv sind.“

Simple dictator game revised

Simple dictator game revised (N=48)



■ Privat-Gymnasiast

■ Gymnasiast

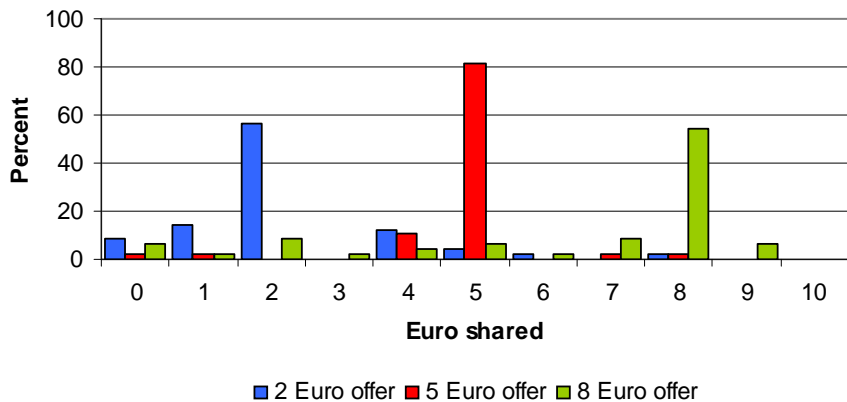
■ Realschueler

■ Hauptschüler n. aggr. (N=37)

■ Hauptschüler aggr. (N=11)

Sequential dictator game

Sequential dictator game (N=48)



Summary of descriptive results

Descriptive results - offers in simple and sequential dictator game

Simple dictator game (N=48)

School type	Min	Max	Mean	Std.	Median
Hauptschule (n. aggr.)	0	9	3.81	2.30	4
Hauptschule (aggr.)	0	3	0.91	1.04	1
Hauptschule (overall)	0	9	3.15	2.41	3
Realschule	0	7	3.67	1.89	4
Gymnasium	0	6	3.38	1.84	4
Privat-Gymnasium	0	5	2.75	2.08	3

Sequential dictator game (N=48)

First dictator's offer	Min	Max	Mean	Std.	Median
2 Euro	0	8	2.27	1.55	2
5 Euro	0	8	4.81	1.10	5
8 Euro	0	9	6.33	2.72	8

Multivariate results - simple dictator game

	A	B	C
	Coef. (Std. Err.)	Coef. (Std. Err.)	Coef. (Std. Err.)
Constant	2.89* (0.32)	2.96* (0.34)	2.74* (0.47)
Hauptschule	0.40 (0.25)	0.98* (0.25)	0.98* (0.25)
Realschule	0.92* (0.25)	0.92* (0.23)	0.92* (0.23)
Gymnasium	0.63* (0.25)	0.63* (0.23)	0.63* (0.23)
Aggressive		-0.34 (0.60)	-0.49 (0.58)
Haupt*Aggressive		-2.55* (0.45)	-2.55* (0.45)
Size			-0.12* (0.05)
Work (1=yes)			1.16* (0.45)
R ² (within)	0.10	0.27	0.27
R ² (between)		0.06	0.35

Note: Random effects models. N=48 (192 obs.). * sign. at 0.05 level. Reference group is Privat-Gymnasium. Models include number of decision (A, B, C), sex (B, C), and income (B, C) as control variables. Size and income were centered to a mean of zero.

Multivariate results - sequential dictator game

	A	B	C
	Coef. (Std. Err.)	Coef. (Std. Err.)	Coef. (Std. Err.)
Constant	5.02* (0.40)	5.29* (0.40)	5.18* (0.48)
Hauptschule	0.23 (0.36)	0.28 (0.40)	0.28 (0.40)
Realschule	0.46 (0.35)	0.46 (0.35)	0.46 (0.35)
2 Euro offer	-2.54* (0.35)	-2.55* (0.35)	-2.55* (0.35)
8 Euro offer	1.52* (0.35)	1.51* (0.35)	1.51* (0.35)
Aggressive		-1.17* (0.47)	-1.13* (0.49)
Haupt*Aggressive		-0.22 (0.73)	-0.22 (0.73)
Number of decision	-0.44* (0.18)	-0.44* (0.18)	-0.44* (0.18)
Work (1=yes)			0.67 (0.34)
R ² (within)	0.61	0.61	0.61
R ² (between)		0.17	0.27

Note: Random effects models. N=48 (144 obs.). * sign. at 0.05 level. Reference groups are Privat-Gymnasium and 5 Euro offer. Model C include sex, size, and income as control variables. Size and income were centered to a mean of zero.

Conclusions and outlook

- School type seems to determine the perceived "indigence"
- Trend that outcomes in simple dictator game proportional to perceived "indigence": (1) Hauptschule, (2) Realschule, (3) Gymnasium, (4) Privat-Gymnasium
- Perception of personal traits moderates Hauptschüler effect (probably specific for pilot study)
- Status-independent reciprocity is the dominant factor in sequential dictator game
- January 2008: pilot study at the Hauptschule in question
- In 2008/2009: main survey in Berlin including all school types (six classes per type) and "real decisions"

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